

**Advisory Committee on Managed Health Care
Meeting Minutes
October 19, 2004**

Advisory Committee Members Present:

Cindy Ehnes, Astrid Meghrigian, Dr. Alfred Forrest, Angie Wei, Thomas Davies, Elizabeth Imholz, Naomi Strom, Paul Kumar and Larry Levitt.

DMHC Staff Present:

Warren Barnes, Tina Dunlap, Denise Schmidt, Elaine Paniewski

1. Advisory Committee Chairperson Lucinda Ehnes, Director, Department of Managed Health Care, called the meeting to order at 10:20 a.m.
2. Welcome and Introductions – Lucinda Ehnes
 - a. Recognition of the late Steve Thompson's contributions to the Committee
 - b. Introduction of the attending Committee members
 - c. Welcome to new Committee member, Astrid Meghrigian, appointed by the President Pro Tem of the Senate on October 18, 2004.
3. Information and Recommendations on the Quality of Care Report Card – Ed Mendoza, Acting Director for the Office of Patient Advocate.

Mr. Mendoza walked the Committee through the Quality of Care Report Card on the Office of the Patient Advocate website and elaborated on the information contained in it. He invited Committee recommendations for improvement.

Public Comment

4. Prescription Drug Regulations – Brian J. Bartow, Assistant Chief Counsel.

Mr. Bartow explained the provisions in the Department's preliminary draft of a regulation to implement SB 842 regarding prescription drugs. He invited Committee comment.

Public Comment

5. Racial Disparities in Medical Outcomes – Marcy Gallagher, Chief, Division of Plan Surveys.

Ms. Gallagher gave an overview of the issue, which has become a national concern. She spoke about the findings and recommendations in two leading reports, the Department of Health and Human Services 2003 National

Healthcare Disparity Report and the Institute of Medicine of the National Academies 2002 report entitled Unequal Treatment: Confronting Racial and Ethnic Disparities in Health Care.

Public Comment

6. Cost Sharing – Bill Barcellona, Chief of the Licensing Division

Mr. Barcellona explained that with rising health care costs, health plans will likely continue to propose creative cost sharing structures to the Department.

Public Comment

7. Top recommendations for improving the health care delivery system and quality of care:

No vote was taken, but the following suggestions were offered by Committee members present:

- Gather data on high deductible plans to ascertain whether they are reducing costs or shifting them.
- Consolidate regulatory oversight. Provide uniformity between responsibilities of the Department of Insurance and the Department of Managed Health Care.
- Provide health care coverage for all Californians.
- Provide for geographic accessibility.
- Address regional differences, county plans, rural hospital closings, reimbursement patterns for geographically isolated areas.
- Encourage plans to drive down costs of prescription drugs and pass the savings on to consumers.
- Devise a core benefits package, grounded in evidence-based medicine, and scientifically sound. Let purchasers “buy up” extra benefits.
- Prevent the elimination of the Advisory Committee.
- Increase nurse staffing.
- Propose an initiative for preventive primary care to the un-insured.
- Ensure that 85% of the premiums go to health care, and not to executive salaries.
- Create a stable network (treat providers fairly).
- Eliminate confusion among providers.
- Ensure consistent, quality care (pay-for-performance).
- Address issues on racial disparities.

Additional written comments were submitted prior to the meeting.

7. Public recommendations:

- Complete the access to care and SB 260 financial solvency regulations.

- Address the obesity epidemic -- it is the #1 cost driver.
- Address Medi-Cal redesign.
- Require the DMHC Helpline to collect information on race, ethnicity, and primary language of all callers.
- Require health plans to ensure that all enrollees have access to culturally and linguistically appropriate care.
- Require health plans to improve utilization of preventive health services in communities of color.
- Expand efforts to diversify the health care workforce.
- Develop coordinated strategies between government agencies and the health sector to eliminate disparities in communities of color.

Additional written comments were submitted prior to the meeting.

PUBLIC HEARING:

A public hearing was noticed, to follow the conclusion of the Advisory Committee meeting. Lucinda Ehnes, Director, Department of Managed Health Care, invited members of the public to discuss topics not on the agenda. No comments were offered by the members of the public present.

The meeting and public hearing were adjourned by Chairwoman Lucinda Ehnes at approximately 3:45 p.m.